



THE MODERATING EFFECT OF CULTURE TO CHILDREN'S PRODUCT CHOICES ON FAMILY PURCHASE DECISIONS OF HOUSEHOLDS IN KENYA

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ABSTRACT

The Purpose of the study was to establish the moderating effect of culture to children product choices on their family purchase decisions in Kenya and to make recommendations. Primary data was collected from 200 respondents selected at random from four county districts of Nairobi, using a semi-structured questionnaire. The questionnaire was administered through a personal interview and responses were analyzed using SPSS for Windows. To test the hypotheses developed for the study, appropriate statistical tests such as the F test was used. This was achieved through correlation analysis, multiple and step-wise regression analysis, and ANOVA. The study revealed that culture has a moderating effect on children's product choices on purchase decisions in Kenya. Based on the study, cultural differences are critical in shaping the identity of children in Kenya and are responsible for their attitudes and behavior as consumers.

KEY WORDS: Family purchase decisions, children's influence, culture

BACKGROUND OF THE STUDY

The consumer decision making process is influenced by various factors; those factors can be summarized as cultural, social, psychological and personal factors. Culture sets the basic values, perceptions, wants and behaviors learned by a member of society from family and other important institutions (Perner, 2010). Social factors include reference groups and group compliance so that behaviour is influenced by specific values, codes and culture and distinguishes groups from each other. Families brings its own values, codes and rituals and represent a special reference group with family members frequently exchanging feedback on

consumed products and/or future planned purchases. This interaction is a fundamental building block in influencing purchase behavior within a family which children are part of.

Family decision making is different from individual decision making and is more complex because of the likelihood of joint decisions and different role specifications for members (Assael, 1998). To understand how consumers actually make buying decisions, there is need to identify who makes and has input into the buying decision; people can be initiators, influencers, deciders, buyers, or users (Kotler, 2008). Children may combine the roles of initiators-those who request that something be bought, influencers-those who influence the buying decision, or users-those who use the product. These roles carried on to the family decision making process, places children as being equal participants in the buying process just as parents. This study considers children as having direct influence in the family purchase decisions through being; initiators, influencers and users. Tufte as quoted by Opoku (2010) found out that communication has become more open and democratic, one consequence being that, today parents pay more attention to their children and their opinions. These changes in family communication have made it possible for children to exert influence on family decision-making (Caruana and Vassallo, 2003; Chan and McNeal (2003), a phenomenon called reciprocal socialization, suggesting that children influence parents, just as parents influence children (Moore et al., 2003).

LITERATURE REVIEW

PRODUCT CHOICES

A product is anything that can be offered to a market to satisfy a want or need (Kotler, 2008). For almost all product categories, children have an important role (Martensen & Gronholdt, 2008). Whether the product is for the child's own use like toys, snacks, clothes, etc or the product is for family use like family vacation or the product is for joint consumption of the household like rice, food, tea/coffee, children have a very strong power to influence (Assad, 2007). But the child's influence in the family buying process differs by product category. According to Martensen and Gronholdt, (2008), children seem to have a significant influence in product decisions for which they will be the primary consumer, like breakfast cereals, snack foods, toys, children's clothes and school supplies. For certain products, children actively participate in initiating the purchase, seeking information about the product, while for others they are the final decision takers. Wut and Chou (2009), showed that children dominate influence in the first two stages of decision making i.e. problem recognition and information search, but this influence decreases at the last stage (choice) of the purchase decision stages. Children are to a greater extent initiators than influencers in their family's purchase decisions, independent of the sub-decision stage (Wimalasiri, 2004; Martensen and Gronholdt, 2008). Children consistently exerted the most

influence in item selection and the least influence in how much to spend (Flurry & Veeck, 2009). Wut and Chou (2009) found that children have more influence in the choice-making stage of decision making and parents still control the final decision, which is consistent with previous research findings (Martensen and Gronholdt, 2008).

CULTURE

Culture is the most basic cause of a person's wants and behavior. Human behavior is largely learned. Growing up in a society, a child learns basic values, perceptions, wants, and behaviors from the family and other important institutions (Perner, 2010). A child in the United States normally learns or is exposed to values such as: achievement and success, activity and involvement, efficiency and practicality, progress, material comfort, individualism, freedom, humanitarianism, youthfulness, and fitness and health. Every group or society has a culture, and cultural influences on buying behavior may vary greatly from country to country. Failure to adjust to these differences can result in ineffective marketing or embarrassing mistakes.

Marketers are always trying to spot cultural shifts in order to discover new products that might be wanted. For example, the cultural shift toward greater concern about health and fitness has created a huge industry for exercise equipment and clothing, low-fat and more natural foods, and health and fitness services. The shift toward informality has resulted in more demand for casual clothing and simpler home furnishings. The increased desire for leisure time has resulted in more demand for convenience products and services, such as microwave ovens and fast food (Novack, 2010).

Each culture contains smaller subcultures, or groups of people with shared value systems based on common life experiences and situations. Subcultures include nationalities, religions, racial groups, and geographic regions. Many subcultures make up important market segments, and marketers often design products and marketing programs tailored to their needs (Schiffman, 2007). Social classes are society's relatively permanent and ordered divisions whose members share similar values, interests, and behaviors. Social class is not determined by a single factor, such as income, but is measured as a combination of occupation, income, education, wealth, and other variables (Kotler, 2008). Marketers are interested in social class because people within a given social class tend to exhibit similar buying behavior. Social classes show distinct product and brand preferences in areas such as clothing, home furnishings, leisure activity, and automobiles (Solomon, 2011).

FAMILY PURCHASE DECISIONS

Family as a consuming and decision making unit is a central phenomenon in marketing and consumer behaviour. There are many shared decisions, made by the consumers with the family

members, which in turn have an effect on other family members' wish and attitude (Desai, 2008). The family is a major influence on the consumer behaviour of its members. There are many examples of how the family influences the consumption behaviour of its members. A child learns how to enjoy candy by observing an older brother or sister; learns the use and value of money by listening to and watching his or her parents (Perner, 2010). Decisions about a new car, a vacation trip, or whether to go to a local or an out-of-town college are consumption decisions usually made within the context of a family setting.

As a major consumption unit, the family is also a prime target for the marketing of many products and services. How families or households make purchase decisions depends on the roles of the various family members in the purchase, consumption, and influence of products (Marshal, 2010). Household products like food and soaps may be purchased by a person but consumed by many, whereas personal care items, such as cosmetics or shaving cream, might be purchased by an individual family member for his or her own consumption (McNeal, 2003). Homes and cars, on the other hand, are often purchased by both spouses, perhaps with involvement from children or other member of the extended family. Visits to shopping malls often involve multiple family members buying clothing and accessories, something with a heavy dose of influence by family member's children may buy clothing paid for and approved of by parents, whereas teenagers may influence the clothing purchase of a parent (Solomon, 2011).

Regardless of how many family members are present when items are being purchased, the other family members play an important role in the purchase. Just because of being mother for two young children, it is her responsibility for buying food for the family and act as an individual in the market. It does not mean that her decisions are not influenced by the preferences and power of other family members. Although marketing communications are usually directed to individuals, marketers should consider the consumption circumstances and the family structure before deciding on specific communication or advertising methods to attract their segment (Kardes, 2003).

The process of the family consumer decision making can be viewed as having three distinct but interlocking stages: input stage, the process stage, and the output stage. Input stage: The input stage influences the consumer's recognition of a product need and consists of two major sources of information; the firm's marketing efforts i.e. the product itself, its price, its promotion, where it is sold and the external and non-commercial sources, the consumer (family, friends, neighbours, other informal and non-commercial sources, social class, cultural and sub cultural memberships) (Solomon, 2011). The cumulative impact of each firm's marketing efforts, the influence of family,

friends and neighbours and society's existing code of behavior are all inputs that are likely to affect what consumers purchase and how they use what they buy.

The process stage: The process stage focuses on how consumers make decisions. The psychological factors inherent in each individual (motivation, perception, learning, personality and attitudes) affect how the external inputs from the input stage influence the consumer's recognition of a need, pre purchase search for information and evaluation of alternatives (Schiffman, 2007). The experience gained through evaluation of alternatives, in turn affects the consumer's existing psychological attributes.

The output stage: The output stage of the consumer decision making consists of two closely related post decision activities; purchase behavior and post purchase evaluation. Purchase behavior for a low cost, non durable product (e.g. a new shampoo) may be influenced by a manufacturer's coupon and can actually result into a trial purchase if the customer is satisfied. The trial is the exploratory phase of purchase behavior in which the consumer evaluates the product through direct use (Schiffman, 2007).

RESEARCH METHODOLOGY

RESEARCH DESIGN

A research design is the conceptual structure within which research is conducted (Kothari, 2012). The study took the form of a descriptive survey. A descriptive survey resulted in the collection of quantitative and qualitative data appropriate to test the independent variable; product choice on family purchase decisions in Kenya. According to Zikmund (2010), a descriptive research design includes a process of collecting data to answer questions concerning the current status of the subjects under study.

TARGET POPULATION, SAMPLE AND SAMPLING PROCEDURES

A population is the whole group that the research focuses on (Kothari, 2012). This study target parents of 8–12-year-old children in Kenya. The study used parents and saw children as objects of research as underlined by Christensen and Prout (2002). Their consumer experiences are studied from the outside as parents take a paternalistic view. According to 2009 census, Nairobi has 985,016 households with the age distribution: 0–14 years (30.3%), 15–64 years (68.5%), 65+ years (1.2%). The study estimated the age bracket of 8–12-year olds to constitute 10% of Nairobi households. Nairobi is cosmopolitan and therefore was the most appropriate to generalize.

Sampling refers to the process of obtaining information about an entire population by examining only a part of it. If the appropriate sampling design is not used, a large sample size will not in itself, allow the findings to be generalized to the population (Sekaran and Bougie, 2010). Zikmund (2010) contends that, only a small sample is required if the population is homogeneous and vice

versa. Small sample sizes with similar characteristics would give an objective representation of the population. On the other hand, with large sample sizes of heterogeneous characteristics, even weak relationships (say a correlation of 0.01 between two variables) might reach significant levels and would therefore be inclined to believe that these significant relationships found in the sample were indeed true of the population, when in reality they may not be (Sekaran and Bougie, 2010). Neither too large nor too small sample sizes help research projects. There is a rule of thumb proposed by Roscoe in 1975 (Sekaran and Bougie, 2010) for determining sample sizes, which proposes that sample sizes of at least 10% of the target population are adequate.

It is also on Roscoe's preposition that this study used a sample size of 200 parents/guardians of children aged 8–12 years. The study used a mixed sampling design. Cluster sampling based on counties was used on the larger Kenya and Nairobi City County was purposively chosen to represent the Kenyan population. This is because Nairobi is cosmopolitan and therefore was the most appropriate to generalize. In a second stage, Nairobi was divided into four clusters. The clusters bore proportionate percentages which correspond to the representation of children in the households. A multi-stage random sampling was conducted and a 10% of the Nairobi households were drawn from the population. In a second and third stage, another 10% were drawn randomly enabling the study to consider a sample of 200 parents. Purposive sampling was used to have only households that bore children aged 8–12 years. Purposive sampling gave the researcher an opportunity to pick out households which had children aged 8–12, from different households with varying children age categories to bring out representation among the respondents.

RESEARCH INSTRUMENTS AND DATA COLLECTION AND ANALYSIS

Primary data were collected using a semi-structured questionnaire, which was interviewer administered. A structured questionnaire presents the respondents with a fixed set of choices, often called closed questions. According to Krishnaswamy et al. (2006), a questionnaire is good because, a standardized and impersonal formats of a questionnaire have uniformity and help in getting data objectively, information on facts, attitudes, motivation and knowledge can be obtained easily.

Prior to actual collection of data, a pilot test was done on 10 households to obtain some assessment of the question's validity and the likely reliability. Before the actual data analysis, gathered data were cleaned, edited and then coded. Once this was done, the analysis of the data was carried out using the proposed models in Statistical Package for Social Sciences (SPSS) version 18. This study used multiple regression and multiple correlation models to determine the interdependence between children influences in peer group and family purchase decisions.

RESULTS AND DISCUSSION

Understanding cultural family dynamics when it comes to making purchase decisions can provide some meaningful insights to marketers regarding who to target with their marketing mix strategies: the father, the mother, both parents, or the children. This study examines culture's moderating effect on children's product choices in family purchase decision-making within the context of Kenyan families. Kenya is a multi-cultural state and, therefore, worthwhile studying. The study has utilized constructs to represent Hofstede's (1984) cultural dimensions of power distance, individualism, and uncertainty avoidance as quoted by Bwisa and Ndolo (2011). Specifically, Kenya is less individualistic, more uncertainty avoiding, and less power distant (Bwisa & Ndolo, 2011).

21.2% of the respondents strongly agreed that it is only the husband who made family purchase decisions (FPD), 24.4% agreed it is only husbands who made FPD. 13% of the respondents were neutral, 38% of the respondents disagreed that it is husbands who made FPD while 13% strongly agreed that only husbands alone made FPD as shown on figure 4.25. This concurs with the Hofstede's (1994) cultural dimension of power distance as quoted by Opoku (2012) which is a general measure of the degree of interpersonal influence that those who hold power in a social structure can exert over those who lack power. However, this changed with the findings that children's influence was stronger in modern versus traditional families, suggesting that modern families had a more balanced power structure than traditional families, leading to the increase in children's influence. This was consistent with Shoham and Dalakas (2003), who found that the impact of power distance on family decisions relates to Israeli parents valuing children's obedience less compared to high-power-distance cultures, and consequently, encouraging and being more open to children's involvement in family decision making. The significance of power distance appeared in previous studies on children's influence, as well. This study found out that children's influence was stronger in modern versus traditional families. We can therefore speculate that this difference reflects a higher proportion of "modern" families that encourage children to be involved in family decision making and having a positive view of children's opinion in regard to purchase decisions.

Results of the regression analysis revealed that culture has a moderating effect on the relationship between children's product choices and purchase decisions in Kenya. There was an interaction term between cultures with product types, which had R^2 of 17.1% from 20.3%. This implied that culture reduced the relationship between product choices and purchase decisions by 3.2%.

AREAS OF FURTHER RESEARCH

The study methodology has targeted parents/guardians who expressed their opinions on the extent to which their children actually influenced family purchase decisions in Nairobi, which is the capital County of Kenya. As a future avenue of research, it is hoped that the interventions can be replicated in other countries similar in Kenya.

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